



## **2012 PROPOSED RESOLUTIONS**

---

**To be reviewed by the Resolutions Committee on August 30, 2011**

## Resolution #1

*This resolution would prohibit the legislature from: 1) changing the funding formula adopted by the voters of the State as it relates to shared revenues with cities and towns and 2) increasing costs to cities and towns through shifting existing service costs through increased fees that replace state funding.*

**Submitted by:** Town of Prescott Valley, City of Bullhead City, City of Kingman, Town of Clarkdale

Greater Arizona Mayor's Association (GAMA) Cities

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

The purpose of the resolution is to preserve existing revenue streams to local governments that have been responsibly managing their budgets during these difficult economic times. Local governments vehemently object to shifting costs from the State to local governments through new fees. Additionally, the State should fund legislative mandates on local governments. Rather than take an adversarial stance, legislators should facilitate the ability of cities and towns to create jobs, provide public safety, maintain roads and parks, and provide other vital services to the 80% of Arizona constituents that live in municipal limits. The current funding formula for state shared revenues works efficiently when both the State and municipalities live within their means. Please see the attached exhibit that the State of Colorado recently implemented to support their cities and towns.

### **B. Relevance to Municipal Policy**

The impacts to local governments are a diminishment in existing service levels as revenue continues to decline or burdens are shifted.

### **C. Fiscal Impact to Cities and Towns**

Existing voter approved revenues streams to cities and towns will remain, allowing for local municipalities to effectively plan for essential services and critical infrastructure.

### **D. Fiscal Impact to the State**

The State must live within its budget as cities and towns must.

### **E. Contact Information**

Name: Larry Tarkowski

Title: Town Manager

Phone: (928) 759-3100

Email: ltarkowski@pvaz.net

**RECOMMEND FOR ADOPTION**

## Resolution #1 Addendum

### EXECUTIVE ORDER

#### Establishing a Policy to Enhance the Relationship between State and Local Government

Pursuant to the authority vested in the Office of the Governor of the State of Colorado, I, John W. Hickenlooper, Governor of the State of Colorado, hereby issue this Executive Order directing state agencies to take specific steps to enhance relations with local government.

#### I. Background and Purpose

For many years state government has imposed an ever-increasing number of legal requirements on local governments, without regard to the costs such requirements impose on already-strained local budgets, and without providing additional funding to enable local governments to comply. Local governments continue to face difficulties such as funding, complexity, and delay in securing flexibility and approvals regarding state requirements.

Local governments should have more flexibility to design solutions to problems without excessive interference or oversight, or unnecessary regulation, from state government. In addition, local governments should not be expected to implement laws and regulations without the funding necessary to do so. In order to assist local governments in effectively complying with such requirements, this Executive Order gives direction to state agencies on consulting and working with local governments before imposing new regulations or other obligations.

#### II. Directive and Scope

A. To the extent authorized by law, no state agency shall promulgate any regulation creating a mandate on local governments unless:

1. The mandate is specifically required by federal or state law;
2. The agency consults with local governments prior to promulgation of the regulation; and
3. The state government provides the funding necessary to pay for the direct costs incurred by local governments in complying with the mandate.

B. Each agency, prior to the formal promulgation of regulations containing the proposed mandate, shall provide to the Director of the Governor's Office of State Planning and Budgeting a description of the nature and extent of the agency's consultation with representatives of the local governments that would be affected by the proposed mandate, the nature of their concerns, any written communications or comments submitted to the agency by such units of local government, and the agency's reasoning supporting the need to issue the regulation containing the mandate.

C. Each agency shall develop a process to actively solicit the meaningful and timely input of elected officials and other representatives of local governments into the development of regulatory proposals affecting local government. Each agency shall implement its process as soon as practicable and post the process on its website.

D. Each agency that is permitted by law to grant temporary or permanent waivers of statutory or regulatory requirements shall adopt rules for granting waivers if a local government can demonstrate that the requirements conflict with other regulations or statutes, or are unduly burdensome. Each State agency shall prepare and publish on its website a policy describing the circumstances in which temporary or permanent waivers will be granted, and the criteria required for obtaining a waiver.

E. Each agency shall consider any application by a local government for a waiver of statutory or regulatory requirements in light of the goal of increasing opportunities for local governments to exercise flexibility in seeking to comply with statutory or regulatory requirements.

F. To the fullest extent practicable and as permitted by law, each agency shall render a decision on an application for waiver within 90 days of receipt of such application by the agency. If the application for waiver is not granted, the agency shall provide the applicant local government with timely written notice of its decision and the reasons for its decision.

G. The executive director of each agency shall be responsible for ensuring implementation of, and compliance with, this Executive Order.

H. Executive agency means any authority of the State of Colorado that is an “agency” pursuant to C.R.S. § 24-3-101.

### III. No Creation of Rights

This Executive Order is intended only to improve intergovernmental operations, and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by any party against the State of Colorado, its agencies, officers, employees, or any other person. This Executive Order shall not be used as a basis for legal challenge to statutes, regulations, or other actions or to any inaction of any state agency subject to it.

### IV. Duration

This Executive Order shall remain in full force and effect until modified or rescinded by future Executive Order of the Governor. This Executive Order supersedes Executive Order D 0007 94.

GIVEN under my hand and the

Executive Seal of the State of

Colorado this eleventh day of

January, 2011.

John W. Hickenlooper

Governor

## Resolution #2

*The City of Douglas through the League of Cities and Towns and its Municipal members is requesting the Arizona State Legislature freeze future sweeps of Highway User Revenue Funds (HURF) allocated to Arizona Cities and Towns. Douglas further resolves that the Arizona Legislature restore HURF funding to FY2008 levels over a 3-5 year period to begin in FY2012/2013.*

### **Recommended Amendment from the Resolutions Subcommittee:**

*Request the Legislature freeze **STOP** future sweeps of Highway User Revenue Funds (HURF) and restore HURF funding. ~~to FY2008 levels over a 3-5 year period to begin in FY2012/2013.~~*

**Submitted by:** City of Douglas, Bullhead City, City of Apache Junction, City of Bisbee, City of Coolidge, City of Globe, City of Kingman, City of Page, City of Sierra Vista, City of Tolleson, City of Wickenburg, City of Williams, City of Yuma, Town of Thatcher, Town of Payson, City of South Tucson

### **Additional Co-Sponsors Approved by the Resolutions Subcommittee**

City of Safford, Town of Pima, City of Eloy, City of Willcox, Town of Tusayan, Town of Chino Valley, City of Williams, City of Coolidge, City of Benson, City of Nogales, Town of Wickenburg, Town of Parker, Town of Snowflake, Town of Taylor, Town of Duncan, City of Winslow, Town of Patagonia, City of San Luis, Town of Fredonia, Town of Clifton, City of Tolleson, City of Casa Grande, Town of Pinetop-Lakeside

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

ARS 28-6540 provides a method of distributing motor vehicle fuel tax revenues to Arizona Counties, Cities, and Towns for the mandated purpose of road construction, reconstruction or maintenance of roads within the jurisdiction. The State has swept portions of these revenues each year since FY2008.

In 2008, Douglas received \$1,469,404. In FY2011/2012 Douglas will receive \$1,105,914 or a reduction of \$363,490 (24.74%). At the same time, Douglas portion of State Shared Revenues declined \$1,263,975 (26.07%). HURF revenues will no longer support minor or major street improvements. The decline in other State Shared revenue negates the General Fund being able to subsidize street improvements. The Douglas maintenance streets program is now limited to pothole/sidewalk repair. Further HURF losses will mean employee layoff and further street deterioration.

### **B. Relevance to Municipal Policy**

Upon information and belief many other Arizona Counties, Cities and Towns are in the same situation. Arizona enjoys year round Tourism to all Urban and Rural Areas of the State. With the prospect of very poor, declining Street Infrastructure, Cities will be forced to find other methods of local taxation to replace HURF Sweeps and General Fund Revenues Sharing losses. The inability to fund even minor street repairs will also affect General Contractor payrolls as street projects slow down or come to an end. Ultimately transportation infrastructure, jobs and economic growth will further deteriorate in the State.

### **C. Fiscal Impact to Cities and Towns**

Douglas has lost \$363,490 or 24.74% of 2008 HURF revenue. At 17,500 population, Douglas is roughly in the middle compared with Arizona's other 91 Cities or Towns. Many other Arizona Cities and Counties will be

unable to do minor or major construction/reconstruction of streets without new taxes forced by State sweeps. Under ARS 28-6533 HURF revenues to Cities must be used for Street and Road repair not for enforcement of traffic. State Sweeps have caused the municipal loss of over \$100 million in Street repair monies to fund the operations of the State D.P.S.

#### **D. Fiscal Impact to the State**

Sweeps of Arizona HURF should be restored to municipalities' budgets. ~~from the DPS to bring HURF funds back to 2008 levels.~~ The State should find the necessary funds for DPS within its own General Fund as the economy recovers.

#### **E. Contact Information**

Name: Margaret Morales Title: Council Member Ward 1 – City of Douglas Representative to the  
Arizona League of Cities and Towns Resolutions Committee  
Phone: (520) 417-7302 Email: [Margaret.Morales@douglasaz.gov](mailto:Margaret.Morales@douglasaz.gov)

#### **On their Council Agenda for approval**

City of Benson, City of Casa Grande, City of Duncan, City of Eloy, City of Fredonia, City of Nogales, City of Safford, City of San Luis, City of Willcox, City of Winslow, Town of Pinetop-Lakeside, Town of Gila Bend, Town of Miami, Town of Springerville

#### **Other Supporters**

Representative Karen Fann, LD1  
Yavapai County Contractors Association

**RECOMMEND WITH AMENDMENTS**

### Resolution #3

***Urges the Legislature to protect the Arizona State Parks (ASP) authority to generate and utilize its revenues as deemed necessary by the ASP Board. In particular, we seek the assurance that fees generated by the Arizona State Parks are protected for use toward the purposes of State Parks.***

**Submitted by:** City of Sedona, Town of Payson, Town of Clarkdale, Town of Prescott Valley, City of Kingman, City of Cottonwood, City of Bullhead City, Town of Jerome, Town of Camp Verde

\* \* \* \* \*

#### **A. Purpose and Effect of Resolution**

The Arizona State Parks (ASP) has suffered cuts totaling more than \$81.6 million since FY 2008. More than \$15 million of those cuts have come from revenue directly generated by State Parks – which is now being sent from the generating agency to support various programs in the State General Fund. Despite the cuts, ASP has been able to keep open multiple state parks through partnership agreements with non-profits and local governments. These partnership agreements rely heavily on the fees generated at the state park in order for the costs of operation to be met.

ASP has recently taken on a study that looks to further the utilization of partnerships (non-profit, public and private) to make the current partnerships sustainable in the long-term and to increase the number of partnerships and financial arrangements to make the entire park system more viable over time. The only way for the current and future partnerships to be viable is to ensure that fees generated at state parks stay with state parks.

ASP has stated time and again that the loss of either its partnerships or availability of its forecasted revenue will render the state parks system unsustainable. According to ASP “The FY12 ASP operating budget is predicated on the park system generating \$10 million in revenue, coupled with the authority of ASP to spend the revenue it earns, and its partnership agreements (for Alamo Lake, Boyce Thompson Arboretum, Fort Verde, Homolovi, Jerome, Lost Dutchman, Lyman Lake, McFarland, Picacho Peak, Red Rock, Riordan Mansion, Roper Lake, Tombstone Courthouse, Tonto Natural Bridge, Tubac Presidio, Yuma Prison, Yuma Quartermaster Depot). ***Without the authority to expend its own earned revenues, even with intergovernmental and private partnership agreements, the park system cannot be sustained.***”

The ultimate purpose of this resolution will be to assure that State Parks remain open to the public as a recreational, environmental, and cultural benefit that supports and generates tourism, and provides important revenue to not only local, but also to the regional and statewide economies. In addition, the availability of the State Parks System will continue to provide a high quality of life for Arizona residents and serve as an attraction to new residents.

#### **B. Relevance to Municipal Policy**

State Parks are essential to the rural economies and people of Arizona, and the continued threat to their operation leaves a continued threat to the still weak local economies in rural Arizona. In addition, Arizona’s natural environment, including access to the environment through availability of State Parks across the state draws millions of tourists to Arizona, benefiting every entity that relies on tourism as part of its economy.

Increasingly, ASP is reliant on partnerships and financial contributions from local governments to make its state parks viable. This comes at a time when local resources are shrinking. The only way for the state parks system

to remain viable and eventually become a self-supporting system is the assurance that ASP will keep the fees generated at state parks for their use.

### **C. Fiscal Impact to Cities and Towns**

Visitors' expenditures combined with their direct and induced impacts resulted in \$21,171,627 in Federal Government taxes and \$22,762,326 in state and local government taxes. The total tax impact of Arizona State Park visitors in 2007 was \$43,933,953. The estimated tax impact is based on non-park taxable expenditures such as:

Groceries	\$	27,129,959
Food & Beverages	\$	24,375,662
Recreation Equipment Supplies	\$	4,708,540
Retail Shopping	\$	15,347,294
Lodging	\$	18,594,618
Personal Auto Expenditures	\$	32,345,735
Tourist Services	\$	5,012,916
Total	\$	127,514,724

### **D. Fiscal Impact to the State**

The revenues generated at State Parks are not general revenues of the State and therefore there should be no fiscal impact to the State. However, the generated fees could not be swept and should not be considered by the Legislature as a possible source of funds for other programming. This policy actually supports the Legislature's request that the ASP operates as much like a business as possible – because a business generates and keeps revenue for its operations, R&D, and capital needs.

The economic benefit of the State Park System is statewide. Calculated at the state level for FY07, the total economic impact of Arizona State Parks (direct, indirect and induced) on the state was \$266,436,582. This total state income resulted in 2,397 direct jobs and 950 indirect jobs for a total of 3,347 jobs statewide. The jobs provided were generated directly, through State Parks employment, but also indirectly, for the tourism industry that is supported and enhanced by the existence of State Parks.

Visitors' expenditures combined with their direct and induced impacts resulted in \$21,171,627 in Federal Government taxes and \$22,762,326 in state and local government taxes. The total tax impact of Arizona State Park visitors in 2007 was \$43,933,953.

Economic figures cited are from "The Economic Impact of Arizona State Parks 2007" study prepared by The Arizona Hospitality Research & Resource Center, Center for Business Outreach and The W. A. Franke College of Business, Northern Arizona University in February 2009.

### **E. Contact Information**

Name: Alison Zelms

Title: Assistant City Manager

Phone: 928-204-7120

Email: [azelms@sedonaaz.gov](mailto:azelms@sedonaaz.gov)

**RECOMMEND FOR ADOPTION**



## Resolution #4

*Urges the authorization of expenditure and full appropriations through the reauthorization of ARS 41-501, 503 and 504 to restore the Arizona State Park Heritage Funds.*

### **Recommended Amendment from the Resolutions Subcommittee:**

*Urges the authorization of expenditure and full appropriations through the ~~reauthorization~~ of **REENACTMENT OF REPEALED** ARS 41-501, 503 and 504 to restore the Arizona State Park Heritage Funds.*

**Submitted by:** City of Sedona, Town of Payson, Town of Clarkdale, Town of Prescott Valley, City of Kingman, City of Cottonwood, City of Bullhead City, Town of Jerome, City of Yuma, Town of Camp Verde

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

The Arizona State Parks (ASP) Board Heritage Fund was established in November 1990 by voter initiative and provides up to \$10 million annually to Arizona State Parks from Arizona Lottery proceeds (A.R.S. §41-503). There were three competitive grant programs offered annually from the Heritage Fund dollars to provide opportunities for the public to enjoy parks and outdoor recreation, and to help preserve natural and cultural resources. Seventeen percent of the State Parks Heritage Fund revenues were available annually (up to \$1.7 million) through the Historic Preservation (HP) Grant Program. Thirty-five percent of the revenues (up to \$3.5 million) were available through the Local, Regional and State Parks (LRSP) Grant Program, and five percent of the revenues (up to \$500,000) went to the Trails Heritage Fund, of which 95% was available through the competitive grant program.

Over the past two years, sweeps of the Heritage Fund resulted in the discontinuation of the Heritage Fund Grant Programs due to lack of funding. The Heritage Fund Grant Programs were an important source of funding, through the LRSP in particular, to Cities and Towns for their ability to enhance and expand local park sites. The sweep of Heritage Funds directly impacts the ability of Cities and Towns to provide funds to conserve our state's natural, cultural, and historic resources and shifts costs to Cities and Towns that are the burden of the State, and which benefit the state.

Last legislative session, not only were the remaining Heritage Funds eliminated – funds that were used for Capital Improvements to the Arizona State Parks – but the Legislature fully repealed the funding mechanism for Heritage Funds through the repeal of authorizing statutes A.R.S. 41-501, 41-503, and 41-504. The FY 12 State Budget swept the remaining \$2,090,000 of the Enhancement Fund, which eliminated the amount available for Capital Programs and means that ASP will have no capital funds available to repair any structural emergency. Without reauthorization of the related statutes, there is no vehicle to appropriate funds, and the future of not only local funding but the entirety of Arizona State Parks hangs in the balance. The inability to fund needed Capital Improvements, and even emergency repairs puts ASP at a dangerous financial precipice.

### **B. Relevance to Municipal Policy**

Approval of this resolution and resulting policy changes would provide a vehicle for funding to continue municipalities' and the state's ability to provide and enhance the conservation of our state's natural, cultural, and historic resources. It would shift the responsibility for these programs back to the State and reinforce the vote- approved initiative that originally placed the burden on the State.

### **C. Fiscal Impact to Cities and Towns**

Arizona Heritage Fund re-appropriations impact recreational opportunities, environmental education for the K-12 curriculum and enrichment for educators, grants and research, and response to and help with ameliorating human-wildlife conflicts in urban areas. It also impacts the viability of State Parks as the most recent sweep has left ASP without funds for capital improvements or for any structural emergency. The danger to State Parks is a direct impact to the Cities and Towns due to the economic impact of State Parks as evidenced in the “The Economic Impact of Arizona State Parks 2007” study prepared by The Arizona Hospitality Research & Resource Center, Center for Business Outreach and The W. A. Franke College of Business, Northern Arizona University in February 2009.

### **D. Fiscal Impact to the State**

Restoring statutory authority and appropriations for the Heritage Funds returns the financial burden to the State where they originated and where they belong.

### **E. Contact Information**

Name: Alison Zelms

Title: Assistant City Manager

Phone: 928-204-7120

Email: [azelms@sedonaaz.gov](mailto:azelms@sedonaaz.gov)

**RECOMMEND WITH AMENDMENTS**

## **Resolution #5**

***Identify and establish funding sources for Arizona Water Supply Revolving Fund Development authorized by H.B.2692.***

### **Recommended Amendment from the Resolutions Subcommittee:**

***Identify ~~and establish~~ funding sources for Arizona Water Supply Revolving Fund Development authorized by H.B.2692.***

**Submitted by:** City of Flagstaff, Town of Prescott Valley

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

The Legislature finds many water providers in Arizona, particularly in rural areas, lack access to sufficient water supplies to meet the long-term water demands and these providers need financial assistance to construct water supply projects and obtain additional water supplies. The purpose of this resolution is to improve revenue sources that would provide dependable, long-term financial assistance consistent with the legislative intent.

### **B. Relevance to Municipal Policy**

There is no funding available to support water supply development in rural Arizona. As surface water supplies diminish and aquifers taxed due to consumption and potential climate changes, water supplies need to be augmented for sustainability, economic well-being, and the quality of life in Arizona. The lack of water will affect the environment, recreation, tourism and home development in the areas which have traditionally had dependable water supplies. Water conservation is a near-term solution, but much of rural Arizona must pay their own way for water development projects. A funding mechanism is needed to insure that funds are made available for loans or other funding solutions for communities. Long-term financing is needed so that cities and towns in rural Arizona are not restrict to limited bonding capacity to finance large water projects or to simply not afford water supply projects. This is not solely a rural Arizona issue, as it will have an effect on larger municipalities as water becomes scarce.

### **C. Fiscal Impact to Cities and Towns**

The source of revenue for the Water Supply Fund must be matched to the ultimate size and length of time needed to accrue a sufficient amount of funds to offer loans. A large number of big water projects are needed throughout Arizona for a long term and the revenue sources need to provide a permanent, dependable, and sufficient income for a long period. Assets in a sufficient quantity to serve the water development needs of Arizona are needed and must be dependable.

### **D. Fiscal Impact to the State**

Potential revenue sources include additional property tax allocations (Ad valorem taxes), annual groundwater withdrawal fees for water pumped, transaction privilege tax or a tax assessed on the sale of water, fees on new development based on their use of water, well fees for new ground water well development and/or more appropriations from the Legislature.

## **E. Contact Information**

Name: Daryl Melvin

Title: Government Relations

Phone: 928-213-2075

Email: [dmelvin@flagstaffaz.gov](mailto:dmelvin@flagstaffaz.gov)

## **CRITICAL MUNICIPAL ISSUE WITH AMENDMENT**

## Resolution #6

***Recommend that the State of Arizona continue to support retention of existing economic development tools and programs and increase access to new tools for cities to help them remain competitive nationally and internationally. Support for economic development remains a policy driver for the State's economy through the provision of high wage jobs and increasing revenue to municipalities and the State.***

**Submitted by:** City of Flagstaff, City of Sedona, City of Kingman, City of Yuma, City of Tempe, City of Oro Valley

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

It is important that economic development continue to be a goal for the League given that 91 percent of the state's income tax revenues come from municipalities. Cities and towns are the economic engines that positively affect the state's financial well-being.

In order to attract new high-wage jobs to Arizona and to sustain our economic health, it is crucial that we have adequate tools to be competitive. Cities and towns need additional support from the State for new job attraction because municipalities must frequently compete with cities in other states and with state governments. In addition, cities are now competing internationally to attract companies. Arizona's competitive edge in these areas has diminished.

The purpose of this resolution is to maintain existing programs like the GPLET and job training funding while identifying and implementing new programs that assist municipalities in their efforts to attract new business, keep current business, and retain business expansion in the state.

### **B. Relevance to Municipal Policy**

The disparity between the cost of living and available good paying jobs is significant, especially in Flagstaff and other rural communities. High wage jobs are critical for the economic health of Arizona's cities and towns. Unfortunately, Arizona lacks the economic tools to assist municipalities in attracting high-wage employers. Individual municipalities require significantly more incentives than solely provided through local funding in order to be successful.

### **C. Fiscal Impact to Cities and Towns**

Creating and funding economic development programs to support local government efforts to bring business to Arizona would allow both the state and municipalities to experience increased employment and tax revenues. State programs are critical in the effort to attract new business to Arizona and to assist local businesses considering expansion in Arizona versus another state.

### **D. Fiscal Impact to the State**

Creating and funding economic development programs to support local governmental efforts' to bring business to Arizona, both the state and municipalities would experience increased employment and tax revenues. Existing programs need to be maintained and reinforced to remain competitive.

## **E. Contact Information**

Name: Daryl Melvin

Title: Government Relations

Phone: 928-213-2075

Email: [dmelvin@flagstaffaz.gov](mailto:dmelvin@flagstaffaz.gov)

**RECOMMEND FOR ADOPTION**

## Resolution #7

*The City of Apache Junction, through the League of Arizona Cities and Towns and its municipal members, requests the Arizona State Legislature to amend Arizona Revised Statutes § 16-1004 to clarify that it is illegal to interfere with an election officer during the course of any official election-related duties.*

**Submitted by:** City of Apache Junction, City of Kingman, City of Bullhead City

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

A.R.S. § 16-1004 makes it illegal to interfere with or attempt to corrupt an election officer at any election. It does not clearly address similar criminal behavior that might occur throughout the election process. Events and processes related to elections can occur for months both preceding and following the actual date of any election. The same protections need to be afforded to election officers during the entire extended election process. The language of A.R.S. § 16-1004 should be broadened so that it applies during the course of any official election-related duties.

### **B. Relevance to Municipal Policy**

Municipal election officers throughout Arizona have been and will be subjected to attempts to interfere or undermine the integrity of the election process. These events can occur at any time during the election process and not just on the day of the election. A statutory amendment will clarify the law and its application to any phase of the election process.

### **C. Fiscal Impact to Cities and Towns**

No obvious fiscal impact.

### **D. Fiscal Impact to the State**

No obvious fiscal impact.

### **E. Contact Information**

Name: George Hoffman

Title: City Manager

Phone: (480) 474-5066

Email: [ghoffman@ajcity.net](mailto:ghoffman@ajcity.net)

**NOT RECOMMENDED FOR PASSAGE - TOO SPECIFIC TO ONE COMMUNITY, AND MAY BE A  
STATUTE INTERPRETATION ISSUE.**

## Resolution #8

*The City of Apache Junction, through the League of Arizona Cities and Towns and its municipal members, is requesting that the Arizona State Legislature amend Arizona Revised Statutes § 13-2904(A) by adding language that protects public employees by clearly indicating that public employees, in the course of their official duties, can be victims of disorderly conduct.*

**Submitted by:** City of Apache Junction, City of Kingman, City of Bullhead City

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

A.R.S. § 13-2904(A) defines disorderly conduct and its classification. This definition does not provide that a public employee, in the course of performing their official duties, can be a victim of disorderly conduct.

In March 2011 in a single incident, six City of Apache Junction civilian employees of the city clerk department were subjected to over 40 minutes of verbal abuse, threats and hostile behavior. These employees filed victim witness statements and have a reasonable expectation that their position as a public employee should not count against them in receiving the same benefits of the judicial system as afforded to private sector employees in similar circumstances.

### **B. Relevance to Municipal Policy**

Municipal/public employees throughout Arizona have been and will be subjected to incidents of abusive, hostile and threatening behavior while in the course of doing their jobs. Public employees have every reason to expect the protection of the courts and equal protection as afforded by the Constitution. The fact that someone is a municipal/public employee should not diminish their basic rights.

### **C. Fiscal Impact to Cities and Towns**

No identifiable fiscal impact.

### **D. Fiscal Impact to the State**

No identifiable fiscal impact.

### **E. Contact Information**

Name: George Hoffman

Title: City Manager

Phone: (480) 474-5066

Email: ghoffman@ajcity.net

**NOT RECOMMENDED FOR PASSAGE - STATUTE COULD BE INTERPRETED AS ALREADY COVERING PUBLIC EMPLOYEES.**



## Resolution #9

***Support legislation that institutes licensure requirements, regulations and standards for body art “tattoo” establishments.***

**Submitted by:** City of Glendale, City of Kingman, City of Bullhead City

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

With growing popularity, few rules and no oversight or licensing, tattoo shops are popping up all over cities and towns throughout the State. Yellowpages.com currently lists 274 tattoo parlors across the state. Many more individuals are also illegally performing tattoo procedures out of their residence. Legislation being introduced this session will require body art establishments to obtain a license and be subject to additional standards and oversight by the State Department of Health Services (DHS).

In 1996, the Legislature enacted legislation making it unlawful to tattoo a person under 18 years of age without the presence of that person’s parent or legal guardian. The legislation specified that a person who commits a violation is guilty of a class 6 felony (Laws 1996, Chapter 222).

The law expanded in 1999 to also prohibit the practice of branding, scarifying, implanting, mutilating or piercing a person under the age of 18 without the physical presence of the person’s parent or legal guardian. However, the prohibition does not apply to ear piercing if the person under 18 has written or verbal permission from a parent or legal guardian. The prohibition also does not apply to procedures prescribed by a licensed health care provider (Laws 1999, Chapter 323).

Current statute further regulates the practice of tattooing and other forms of body modification by prohibiting certain acts in the Arizona Criminal Code (Arizona Revised Statutes, Title 13). Specifically, it is unlawful for a person to do any of the following:

- Use a needle, or any substance that leaves color under the skin, more than once.
- Use a needle that is not properly sterilized.
- Engage in the business of tattooing, branding, scarifying, implanting, mutilating or body piercing out of a home or an impermanent structure, such as a tent or trailer.
- If the person is not a licensed health professional, it is unlawful to administer anesthesia during the course of any procedure that involves branding, scarifying, tattooing, implanting, mutilating or piercing the body of another person.

Finally, current statute regulates waste disposal from tattoo establishments. Tattoo needles and any waste exposed to human blood generated in the creation of a tattoo must be disposed of in the same manner as bio - hazardous medical waste. A person who does not comply with these disposal requirements is subject to a civil penalty of \$500 per violation (Laws 2005, Chapter 239).

Arizona currently does not require licensure or certification to engage in the practice or business of tattooing, branding, scarifying, implanting, mutilating, tattooing or piercing which makes it very difficult for health departments to track, investigate or enforce the current laws.

## **B. Relevance to Municipal Policy**

The licensing and oversight of tattoo parlors by the State Department of Health Services will provide the assurance to communities and patrons that the services being provided are safe and that there are uniform standards and procedures throughout the State which can be enforced.

## **C. Fiscal Impact to Cities and Towns**

The support of the legislation will not have a direct fiscal impact on cities and towns.

## **D. Fiscal Impact to the State**

Any costs occurred by the state or local public health department can be offset by a licensure fee.

## **E. Contact Information**

<u>Name: Brent Stoddard</u>	<u>Title: Intergovernmental Programs Director, City of Glendale</u>
<u>Phone: 623-930-2078</u>	<u>Email: Bstoddard@glendaleaz.com</u>

**NOT RECOMMENDED FOR PASSAGE - POTENTIAL TO BE ANTI-LOCAL CONTROL IF THE STATE MANDATED CITIES AND TOWNS TO TAKE ACTION, OR INITIATED LAWS OR RULES THAT WERE INCONSISTENT WITH LOCAL ORDINANCES.**

## Resolution #10

*Amend A.R.S. § 13-1602 (Criminal Damage) to include criminal damage by graffiti.*

### **Recommended Amendment from the Resolutions Subcommittee:**

*Amend A.R.S. § 13-1602 (Criminal Damage) to include criminal damage by graffiti, **BUT ONLY ON A MISDEMEANOR LEVEL.***

**Submitted by:** City of Yuma, City of Bullhead City.

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

Graffiti is a continuing and fast growing problem for cities and towns. Abatement of graffiti and apprehension and prosecution of the perpetrator is costly to cities and these costs are seldom if ever recovered. Arizona statutes allow prosecution of graffiti under the criminal code as criminal damage. Because graffiti is such an immediate and growing problem on both public and private property, it needs to be addressed in statutes setting forth stricter penalties for graffiti. Adding graffiti to the criminal damages statute as a separate offense, without regard to costs of damages, will make a statement that graffiti is not acceptable anywhere, anytime, by anyone, whether by an impertinent juvenile or by members of criminal gangs. In addition, a community service component could be added to the penalty, as done in New Mexico and California, which would provide even greater disincentives, especially if the community service involved is cleaning up graffiti.

### **B. Relevance to Municipal Policy**

The physical appearance of communities is a source of pride for Arizona cities. It is one of the factors that attract people to visit or relocate into an area. While graffiti was once limited to older and deteriorating communities or facilities, it has become prevalent in all areas of cities, regardless of age, appearance, or use. Despite the penalties for selling instruments of graffiti to minors enacted in the last few years, the numbers of incidents and the extent of damages have continued to increase. Stiffer penalties are needed to deter the rising tide of this vandalism.

### **C. Fiscal Impact to Cities and Towns**

The City of Yuma spends a minimum of \$105,000 annually to abate graffiti. Since the costs to Yuma are so high, it would follow that statewide, the costs may be in the millions of dollars. Increasing the penalties for criminal damage may deter graffiti vandals, and reduce the number of incidents and the extent of damages, thereby reducing costs of abatement. Any additional revenue generated from the stronger penalties could be directed to reduce the costs to cities for abatement. Also, if violators are required to perform community service, they would be able to witness the consequences their actions have on the community.

### **D. Fiscal Impact to the State**

Because graffiti may also occur on state owned properties, abatement costs to the state could be reduced.

### **E. Contact Information**

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: [Connie.Scoggins@YumaAz.gov](mailto:Connie.Scoggins@YumaAz.gov)

**RECOMMEND WITH AMENDMENTS**

## **Resolution #11**

***Urges the Governor and the State Legislature to develop and pass legislation that allows greater flexibility in annexing county islands.***

**Submitted by:** Town of Marana, City of Sierra Vista

### **A. Purpose and Effect of Resolution**

Over the past 30 years, the State Legislature has made changes in annexation law to respond to actions by local governments that have had unintended, and often negative, consequences. In 1980, the Legislature disallowed “strip” annexation by communities wanting to annex only highly lucrative commercial properties. That same legislation also changed the law further to disallow the creation of county islands, recognizing that having such islands completely surrounded by an incorporated city or town is not good public policy. Other steps have been taken within state law to improve the process, but more are needed.

Although new county islands can no longer be created, unfortunately a number of cities and towns in Arizona still have such areas within their corporate limits. The islands are governed by the laws of their respective county, which is a branch of local government largely designed to provide rural services and a one size fits all approach to planning and growth management. Depending on the individual county/city, disparities between county and city regulations often exist and in many cases, these service and/or enforcement differences are taking place literally across the street from areas with the same density and neighborhood type.

It is time to allow cities or towns more flexibility to extend urban services to these islands. This could include: allowing a city to shrink an island annexation area once the process has started if there is not enough interest to proceed with the entire area; removing the tie to assessed valuation in the process; allowing property owners with multiple properties within an annexation area to have a vote for each property; requiring property owners to sign a petition to opt out of a county island annexation rather than opt in, to address those areas with high out-of-town owners; or any combination of these methods. Ideas would be discussed with legislators to determine the most viable.

### **B. Relevance to Municipal Policy**

Counties, by design, are funded to provide a rural level of service. But such a service level within the middle of an urban area can, and has, led to problems that bleed over into incorporated cities and towns.

### **C. Fiscal Impact to Cities and Towns**

If legislation moves forward that allows greater flexibility in annexing county islands, it would be up to cities and towns themselves to determine timing on annexing these areas if they choose. Those communities that choose to move forward will need to extend their services to newly annexed areas. Those costs would be different for each community. But the legislation should not require a city or town to annex county islands if they feel they cannot provide services. It should be noted that counties currently providing services to these islands, if annexed, may realize savings by not providing those services in the future.

### **D. Fiscal Impact to the State**

There is no fiscal impact to the state when it comes to which local government provides local services. Minor adjustments in state-shared revenues would be made based on any population changes, but it would be a

reshuffling of the total allocation, not an increase in state revenues to local government. Eliminating barriers to annexation would also encourage economic development thereby resulting in increased revenue to the state.

**E. Contact Information**

Name: Town of Marana, Del Post

Title: Deputy Town Manager

Phone: 520-382-1906

Email: [dpost@marana.com](mailto:dpost@marana.com)

**RECOMMEND FOR ADOPTION**

## Resolution #12

*Urges the Legislature to amend A.R.S. § 39-121.01 regulating requests for public records that are overbroad or abusive.*

### **Recommended Amendment from the Resolutions Subcommittee:**

*Urges the Legislature to amend A.R.S. § 39-121.01 regulating requests for public records ~~that are overbroad or abusive~~ **TO INCLUDE SPECIFICITY OF SUBJECT MATTER AND TIME PERIODS, STAFF TIME REQUIREMENTS AND TO EXCLUDE RECOGNIZED MEDIA FROM BEING LIMITED IN THEIR REQUESTS.***

**Submitted by:** City of Yuma, City of Apache Junction, City of Bullhead City, Town of Queen Creek, City of Kingman.

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

This Resolution seeks amendments to public records laws to discourage overbroad and abusive requests for public records.

Municipalities receive and process thousands of requests for public records each year. Most of these requests are reasonable, coming from persons who may or may not make other requests but who seek specific and limited information. Other requests require preparation of voluminous amounts of documents or materials and substantial amounts of staff time in multiple departments to locate, review, and prepare the documents for review and/or coping.

But other requests are overbroad, such as requests for “All documents, e-mail, memoranda, etc. pertaining to the city action .....” These documents can cover many years, require production of hundreds or thousands of documents, and involve research and review by several City departments.

Municipalities also receive and process numerous requests for public records from only a few individuals. For example, in Yuma, one individual is responsible for the following statistics:

<u>Year</u>	<u>Number of requests</u>
2008	114
2009	120
2010	85
2011 May year to date	75

These requests, some of which require locating massive amounts of documents from across city departments in different locations, have a significant impact on city resources. Such requests from one or two individuals require a disproportionate amount of city-wide staff time to locate, review, and prepare the records for examination. Oftentimes, a requestor may never review the documents after being notified they are ready for inspection. As an example, Yuma has received 46 requests in 44 business days from a single individual, including nine filed in one day, while 25 filled requests wait to be reviewed. These overbroad and abusive requests by a few individuals abuses the rights and privileges these laws were enacted to protect.

Amending Title 38 to give municipalities authorization in certain instances to restrict the number or frequency of requests made by a single individual and to limit overbroad requests will allow cities to both comply with spirit and intent of public records laws while discouraging overbroad and abusive requests.

#### **B. Relevance to Municipal Policy**

Transparency is an essential component of a responsive representative government. Cities endeavor at all times to be open, accessible and responsive to their citizens. Making records available for inspection by the public is important to maintaining transparency and trust in government. Most citizens are conscientious and purposeful in their requests. However, requests by a few individuals which are overbroad or abusive and require disproportionate amounts of city-wide staff time do not further the goal of transparency.

#### **C. Fiscal Impact to Cities and Towns**

Cities will still respond to public records requests in the spirit of transparency and openness in government. Allowing cities some relief from abusive public records requests or to identify potentially abusive practices will free staff to perform other governmental functions.

#### **D. Fiscal Impact to the State**

There will be no fiscal impact to the State. However an amendment could include public records requests of the State, which will result in savings.

#### **E. Contact Information**

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: [Connie.Scoggins@YumaAz.gov](mailto:Connie.Scoggins@YumaAz.gov)

**RECOMMEND WITH AMENDMENTS**



## Resolution #13

*Urges the Legislature amend statutes requiring cities to publish notices, agendas, reports, and other statutorily mandated publications in a newspaper to allow cities and towns the option to publish on an official website.*

### **Recommended Amendment from the Resolutions Subcommittee:**

*Urges the Legislature amend statutes requiring cities to publish notices, agendas, reports, and other statutorily mandated publications in a newspaper to allow cities and towns the option to publish on an official website **OR A THIRD PARTY'S WEBSITE IN ADDITION TO THE MUNICIPALITY'S WEBSITE.***

**Submitted by:** City of Yuma, City of Apache Junction, City of Sierra Vista, City of Bullhead City, Town of Queen Creek, City of Sedona, Town of Oro Valley.

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

Arizona statutes require cities and towns to publish numerous notices, agendas, financial reports, bids, etc. in a newspaper. These statutes specify the number of times a notice must be published and when and where publication must be made. Some statutes also dictate the size of the notice (e.g. quarter page) and the font size. Publication must be in a newspaper of general circulation having "a bona fide list of paying subscribers", in the county where the city is located.

Current trends indicate that more and more people are accessing news and information through electronic means, such as news media websites, social websites, and online communication. Cities strive to disseminate the most information to the widest possible audience, wherever located, including to their citizens and other interested parties. Allowing cities and towns to publish required notices to an official municipal website or other electronic media sites, or to a newspaper, in a form and format selected by the municipality, may reach exponentially more people at a lesser cost, freeing those resources for vital municipal services.

### **B. Relevance to Municipal Policy**

Cities seek to provide the most information to the widest audience as quickly as possible. The internet is rapidly overtaking newspapers as the primary source of news and information. Posting required notices on an official website will reach a wider audience in less time and keep citizens better informed on matters that affect them.

### **C. Fiscal Impact to Cities and Towns**

Allowing cities the option to publish on their website will free these funds for critical services. Expenditures by City: (\*through May 2011)

	<u>10-11</u>	<u>09-10</u>	<u>08-09</u>	<u>07-08</u>	<u>06-07</u>
Yuma	*\$33,306	\$36,296	\$30,829	\$35,158	\$27,978
Apache Junction	\$8,000	\$8,000	\$13,613	\$43,977	\$46,556

### **D. Fiscal Impact to the State**

There is no anticipated cost to the State; however, posting to a website could produce the same revenue saving benefits.

**E. Contact Information**

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: [Connie.Scoggins@YumaAZ.gov](mailto:Connie.Scoggins@YumaAZ.gov)

**RECOMMEND WITH AMENDMENTS**

## **Resolution #14**

***Urges the Governor and the State Legislature to develop and pass legislation that requires disclosure of development impact fees on purchase contracts for new residential construction.***

**Submitted by:** City of Sierra Vista, City of Bisbee, City of Douglas

\*\*\*\*\*

### **A. Purpose and Effect of Resolution**

Development impact fees are allowed under state law to permit a community to apply the cost of future infrastructure needed to support new growth to those who purchase the new homes and businesses requiring such infrastructure. Each community is required to go through a rigorous analysis that justifies current levels of service, and assesses the appropriate fair share cost to new construction for infrastructure such as major roadways, additional public safety facilities, and new parks needed for expanded areas and population.

Although common practice in Arizona, some new homeowners are unaware of this additional fee which is added to the cost of their new house. In an effort to be more transparent in communicating with property owners their contribution toward this new infrastructure, the City is recommending that the homebuilding community be required to specifically list on the purchase contract the full amount of such development impact fees. This also insures that unscrupulous homebuilders do not add such fees to the final closing documents, and blame the local government for the additional cost. State law notification and implementation requirements for development impact fees makes it clear that homebuilders would know the cost of such fees prior to finalizing a purchase contract.

### **B. Relevance to Municipal Policy**

Local governments are working to improve transparency in how and where revenues are collected, how they are used, and why such programs or capital projects are needed for a community. Development impact fees are an important component to a community in addressing new growth, and the justification for such fees is well documented by those communities who choose to include such fees in their planning and revenue programs. Requiring homebuilders to disclose development impact fees on purchase contracts is not a negative for local governments, but rather, helps communicate the methodology used by a city or town in planning for the future.

### **C. Fiscal Impact to Cities and Towns**

There would be no fiscal impact to cities and towns if legislation supporting this resolution were enacted.

### **D. Fiscal Impact to the State**

There would be no fiscal impact to the state if this legislation supporting this resolution were enacted.

### **E. Contact Information**

Name: Mary Jacobs

Title: Assistant City Manager

Phone: 520-458-3315

Email: [mary.jacobs@sierravistaaz.gov](mailto:mary.jacobs@sierravistaaz.gov)

**NOT RECOMMENDED FOR PASSAGE - MAY VIOLATE CURRENT MORATORIUM ON  
IMPACT FEE LEGISLATION.**

## Resolution #15

***Legalize and encourage changes to net metering policies allowing for aggregate net metering (ANM) and use of energy and credits generated at available public and/or private sites to benefit energy meters located away from the generating site. This change would allow for the establishment of community solar gardens throughout Arizona, more efficient use of municipal/public land for solar powering of multiple facilities, and will further the realization of solar energy generation in the state.***

**Submitted by:** Town of Clarkdale, Town of Payson, Town of Prescott Valley, City of Sedona, Town of Oro Valley

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

“Solar Gardening” is a very efficient and economical way for a community’s citizens to pool resources and convert their homes to solar electricity. Instead of placing hundreds of individual installations on people’s rooftops or in their yards, with all the structural and zoning complications they can bring, solar gardens place all the solar panels in one off-premises location. This makes them easier to maintain, install, and tie to the electrical grid. It also means the large number of people who can’t install a large array of photovoltaic panels at their residence can take advantage of solar electric opportunities. Further, it places unsightly installations in an area where neighbors have fewer objections and which can be better secured.

According to the International City/County Management Association (ICMA), “Financing solar is often a challenge and more communities are looking at community solar and collective purchasing options as a way for community members to pool their resources and bring down the costs of solar. Community solar offers a way for community members to pool resources and collectively develop a solar project that provides the benefits of solar to a group or a neighborhood, rather than an individual homeowner. It can be an effective way to reduce the price of solar through volume purchasing and it can also provide renters, condo owners, or homeowners who are unable to install solar systems on their properties with the opportunity to benefit from solar.”

Given the structure of rate tariffs within Arizona, regulated power providers do not currently support solar gardens because the installation and use of solar generated power must be provided behind each individual meter. In order for community scale energy projects to be viable and to allow for the most efficient use of local government sites to provide for both the local government and the community at large, aggregate net metering that also allows for excess energy generation credits to be applied to multiple energy accounts must be implemented. In addition, it is necessary that aggregate net metering allow for geographic installation criteria that is not site specific, and does not require adjacency, but allows for the credit to be applied as long as the generating site(s) and benefiting site(s) are within a single utility’s service territory.

Aggregate Net Metering would allow cities and towns to establish solar facilities remote from their multiple electric meters and credit all of the solar power generated to designated meters/accounts, resulting in reduced electricity costs. ANM would also allow local governments to leverage prior investments in public lands that are deemed suitable for solar development.

The current direction that the Arizona Corporation Commission is taking would limit the distance between an ANM customer’s generation facility and that customer’s participating meters to the same property or contiguous properties. This does not address the needs of local governments or community scale projects.

In addition, to support the expanded use of solar generation by residential customers requires changes to the Arizona Corporation Commission's definition of net metering to permit generating an electric customer's bill net of credit for the customer's allocation of solar energy generated and fed back into the grid regardless of the location of the generation (provided the location is within the service territory). Creating these billing adjustments is typically the responsibility of the regulated power providers in locations where community solar gardens are in use. Working with these providers plus the Legislature and the Arizona Corporation Commission to craft a mutually-agreeable solution is essential if Arizona is to reach its full potential as a renewable energy center for the country. Such a solution may require legislative action and/or rulemaking at the commission level.

All Cities and Towns should consider enabling changes in support of community-scale solar initiatives and non-geographic specific aggregate net metering to be one of the most essential changes needed in order for our local governments and our state to move toward energy sustainability.

## **B. Relevance to Municipal Policy**

To encourage increased solar energy generation across Arizona, municipalities need the flexibility to utilize available land and financial resources efficiently for the organization and across the community. The ability to site solar facilities at large sites, such as water and wastewater facilities, and to offset the cost of electricity for off-site city-owned or for general community wide use most effectively uses the land and financial resources of the municipality and the community at large. To create community-scale solar projects, such as solar gardens in communities, the current rate structure and net metering requirements in Arizona must change. With such installations, solar energy generation becomes accessible for a broader population – renters (now able to purchase solar power without impacting the residence in which they live) and those with older homes with structural or electrical concerns and/or those with small yards or shaded or small rooftops. Purchasing solar energy generated in solar gardens would ideally result in individual customers receiving a utility bill net of credits for solar energy generated and attributed to their individual electric bills.

With community solar, large scale solar arrays can be located in fewer, larger locations each with a single grid tie, minimizing visual impacts as desired and providing for the ease of maintenance of the entire solar array. Additionally, subscribing to solar gardens can be less costly than installing individual systems on owner-occupied facilities as there are no additional structural or electrical system upgrades required at individual homes.

Community solar gardens also facilitate the achievement of the sustainability goals of individual cities and towns while enhancing security through the distribution of energy generation, thereby reducing the impact of a single point of failure. Furthermore, the availability of community gardens can be attractive to businesses and residents alike, helping Arizona grow in a more sustainable way.

For the municipality, the ability to generate electricity for all city-owned facilities at one or more multiple large sites provides an economy of scale for implementation of solar, a more efficient use of land, and a greater likelihood for broad utility savings. The reduction in the cost of electricity is a benefit to the municipality that reduces the burden on scarce revenue sources for ongoing overhead costs. Ultimately this benefits residents and businesses with less need for tax and fee revenue to support the municipality.

## **C. Fiscal Impact to Cities and Towns**

The totality of fiscal impacts for cities and towns are unknown. However, Arizona will see benefits from increases in state and local sales tax collections, building permits issued, and job creation locally. There may be offsetting impacts to the franchise fees collected by cities and towns from electric utilities, depending on the terms of the legislation, and depending on the individual terms of Franchise Agreements.

In general, however, the benefits of solar energy generation and this resolution's commitment to broader access in a more efficient implementation format are widely accepted. These include economic and/or, environmental benefits, reduced water consumption, lower energy costs, economic growth and new "green" job opportunities - ultimately leading to increased long-term energy and water security that provide a more suitable environment for sustained residential and business growth in Arizona.

#### **D. Fiscal Impact to the State**

As a leader in the robust solar panel industry both nationally and globally, this resolution will enhance the demand for solar equipment, benefitting the State in the direct increase in product demand, jobs, and taxes generated.

#### **E. Contact Information**

<u>Name: Jodie Filardo</u>	<u>Title: Clarkdale Sustainability Project Manager</u>
<u>Phone: 928-639-2542</u>	<u>Email: <a href="mailto:Jodie.Filardo@Clarkdale.AZ.gov">Jodie.Filardo@Clarkdale.AZ.gov</a></u>

### **CRITICAL MUNICIPAL ISSUE**

## Resolution #16

*Request and encourage the Arizona State Legislature to establish the mechanism for the creation of sustainable energy financing district authority. In addition, encourage the Arizona State Legislature to identify and define energy efficiency and renewable energy as a public benefit that enhances the public good and promotes the health, safety, prosperity, security, and general welfare of the community.*

**Submitted by:** City of Flagstaff, City of Sedona, City of Surprise, City of Bullhead City

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

Sustainable energy financing district authority enables local government to create a financing mechanism to provide up front funds to residential and commercial property owners for energy efficiency improvements and renewable energy systems. Property owners can opt in to finance energy improvements and renewable energy installations on their property and repay financing through a property tax assessment.

Energy efficiency and renewable energy creates an opportunity to utilize our nation's resources wisely and secure reliable, clean, and safe energy. In the current economic climate, the upfront financial commitment necessary to implement energy efficiency improvements and deploy renewable energy installations is often a barrier for property owners. Energy efficiency and renewable energy financing programs can remove these barriers.

In Arizona, energy efficiency and renewable energy financing programs have significant potential to stimulate the state's economy and transition residents to sustainable energy use and production. Such programs can deliver benefits beyond energy independence, including a new source of workforce stabilization and development, increase value and comfort of buildings, protection from increasing energy costs and increased community awareness.

Energy efficiency and renewable energy financing programs have been developed in numerous communities across the nation. The states of California and Colorado have passed legislation that allows city and county agencies to establish sustainable energy financing district authorities, defines energy efficiency and renewable energy as a public benefit, and grants the authority to issue bonds.

The federal government currently encourages the installation and use of renewable energy through a series of federal tax incentives and credits. Arizona also has several tax based incentive programs to encourage the production of renewable energy. These incentives collectively make renewable energy projects more affordable only after installation but do little to address the upfront financial commitment.

Improving the energy efficiency of existing structures and deploying renewable energy installations supports legislation that requires towns, cities, and counties with a population greater than 150,000 to adopt an energy element to their planning policies that will encourage and provide incentives for the efficient use of energy. Legislation also requires that community general plans contain an assessment that identifies policies and practices that will provide for the greater use of renewable energy sources.

This resolution supports the efforts of the American Recovery and Reinvestment Act of 2009 to improve our economy and save and create millions of jobs. Furthermore, this resolution supports Arizona regulated utilities'



efforts to meet the Arizona Corporation Commission's Renewable Energy Standard that requires 15% of their energy generation to come from renewable resources by 2025.

Additionally, Flagstaff and many other cities and towns in Arizona have signed-on to the United States Mayor's Climate Protection Agreement and have committed to reduce the community's greenhouse gas (GHG) emissions by 7% below 1990 levels by 2012. Supporting the creation of sustainable energy financing district authority directly supports this goal.

#### **B. Relevance to Municipal Policy**

This resolution would support cities that choose to promote energy efficiency and renewable energy practices within their communities. Many Arizona communities are working to improve the efficiency of existing building stock in the residential and commercial sectors to promote sustainability and help protect community members from rising energy costs.

#### **C. Fiscal Impact to Cities and Towns**

Sustainable energy financing district authority would allow local governments to provide a mechanism for property owners to decrease their fossil fuel use and increase energy cost savings. Energy efficiency and renewable energy financing programs can remove upfront financial barriers for property owners that would like to incorporate energy efficiency improvements and renewable energy projects. Incorporating opt-in participation to the program protects property owners that do not choose to participate unlike a standard district. Incremental pay back either through property tax or utility bills ensures the loan stays with the property. Thus, funds that would otherwise have paid higher operating costs are freed to pay for other municipal priorities.

#### **D. Fiscal Impact to the State**

There are no fiscal impacts to the State. Sustainable energy district authority would allow for opt-in energy efficiency and renewable energy financing programs at the fiscal responsibility of the property owner.

#### **E. Contact Information**

Name: Daryl Melvin

Title: Government Relations

Phone: 928-213-2075

Email: [dmelvin@flagstaffaz.gov](mailto:dmelvin@flagstaffaz.gov)

### **CRITICAL MUNICIPAL ISSUE**

## **Resolution #17**

*Urges the Governor and the State Legislature to develop and pass legislation that supports efforts to reduce the shortage of physicians in the State of Arizona. The League encourages the Legislature to consider: expanding the level of Graduate Medical Education (GME) funding; expanding medical school capacity within the state universities; addressing issues affecting the attraction and retention of physicians from out-of-state; reducing obstacles to medical practice in Arizona; and addressing any other major issues that affect a physician's decision to locate or remain in Arizona to practice.*

**Submitted by:** City of Sierra Vista, City of Bisbee, City of Douglas, Town of Clarkdale

\*\*\*\*\*

### **A. Purpose and Effect of Resolution**

Part II of the 2005 Arizona Physician Workforce Study, conducted by specialists from the University of Arizona and Arizona State University, identified that since 1992 to 2004, Arizona's physician supply did not keep up with its population growth. The situation has not gotten any better. Arizona has 219 physicians per 100,000 in population, well below the national average of 293 per 100,000. Rural communities in the state are affected by the shortage even more, with one county at under 60 physicians per 100,000. Specialty physicians are particularly difficult to recruit and retain. By way of example, the City of Sierra Vista's regional hospital is now the only location in all of Cochise County in which a woman can deliver a baby outside of a setting in which emergency services are available.

Since approximately 60% of physicians who complete their training in Arizona teaching hospitals remain to practice within the state, enhancing the Graduate Medical Education (GME) program is a critical component to addressing this shortfall, and has been identified by previous gubernatorial task forces. Also recommended were efforts to reduce obstacles to medical practice in Arizona. Recruitment and retention of physicians is hampered throughout the state by higher professional liability premiums as compared to other states, and this is certainly an obstacle needing attention. Recent actions to reduce funding to the State's Medicaid program will only exacerbate the issue statewide. Now, more than ever, action is needed to retain existing physicians, and insure Arizona is a desirable place to practice for others.

### **B. Relevance to Municipal Policy**

Health care is a key component of the overall quality of life for any community. It is an attraction and retention component for both business and military activities, both of which are the backbone of the state's economy. An adequate supply of physicians is the foundation of quality healthcare, and although most barriers to physician recruitment and retention are beyond the direct control of local government, the health of our citizens should be a strong consideration for local legislative input and advocacy. The National League of Cities has incorporated citizen health in its overall federal legislative platform by developing and advocating for health programs for children and youth.

### **C. Fiscal Impact to Cities and Towns**

There should be no negative fiscal impact on Cities and Towns. To the contrary, not only will there be an intrinsic gain to Cities and Towns in overall quality of life of their residents if accessibility to health care is improved, but all communities in the state can use improved health care as an economic development tool in the future.

#### **D. Fiscal Impact to the State**

There are some solutions, such as investing in the graduate medical program that will require additional investment by the state in medical education. However, some recommendations can be implemented with little to no effect on state finances. But like the cities and towns, improvement in access to health care results in an improvement in the ability of the State to attract corporations who value health care access as a major factor in relocation to Arizona. In addition, more physicians in the rural areas of the state will reduce the number of trips on already overcrowded roadways that residents from those areas make to the Phoenix or Tucson metropolitan areas to seek treatment.

#### **E. Contact Information**

Name: Mary Jacobs

Title: Assistant City Manager

Phone: 520-458-3315

Email: [mary.jacobs@sierravistaaz.gov](mailto:mary.jacobs@sierravistaaz.gov)

#### **RECOMMEND FOR ADOPTION**

## Resolution #18

*Urges the State Legislature to support implementing a pilot program to restrict trucks to the two right-most lanes when traveling on Arizona highways in urban areas with three or lanes in each direction.*

**Submitted by:** City of Apache Junction, City of Douglas

\* \* \* \* \*

### A. Purpose and Effect of Resolution

The purpose of this resolution is to improve traffic mobility, improve safety and facilitate the flow of goods on freeways in Arizona's busy urban areas. An initial step is to implement a pilot program to determine and compare the feasibility, impacts, and effectiveness of restricting trucks to operating only in certain lanes on highways in urban areas that have three or more lanes in each direction, which have a moderate or high level of truck traffic, and do not have left hand exits. The lane restrictions would apply to "trucks" as defined by Arizona State law. Trucks would be restricted to the two right-most lanes, leaving one lane for truck-free operation; assuring that trucks will always have access to at least two lanes.

Demand for trucking services continues to increase. According to statistics available from the Bureau of Transportation Statistics (BTS) trucking accounts for an estimated 70% of the total value, 60% of the weight, and 34% of the ton-miles of freight moved in the U.S (Bureau of Transportation Statistics, 2006). In addition, between 1980 and 2020, truck travel is predicted to increase by over 90% while lane-miles of public roads will increase by only 5% (FHWA, 2006). This increase will have significant negative influences on traffic congestion and safety. A truck lane restriction strategy is used in many states nationwide as a way to address some of these impacts.

With regard to improving safety and mobility, here are several safety benefits of truck lane restriction:

- Prevents "No-Zone" Wrap, Tractor trailer's on two (2) sides of passenger cars at same time
- Positions largest vehicles out of the highest speed lanes
- Reduces the frequency of passenger vehicles being "boxed-in" by large trucks
- Reduces evasive truck maneuvers to the right, or into the trucker's "blind" side
- Provides additional spacing from life-saving median barrier systems.
- Provides additional truck clearance from opposing direction traffic.
- Improves visibility and clearance for disabled vehicles in or along median shoulders.

By improving traffic mobility, the flow of transporting goods through the State positively impacts economic development. The Freight Industry has welcomed lane restrictions in other states because passenger vehicles are able to stay in the fast lanes, which gives more mobility for the trucks in the slower lanes. Trucks then reach their destinations in a timelier manner.

## **B. Relevance to Municipal Policy**

Arizona residents directly benefit from improved traffic operations and improved safety on freeways in Arizona's busy urban areas. In addition, by improving the flow of transporting goods and services in Arizona, economic development of the State, cities and towns could also increase.

## **C. Fiscal Impact to Cities and Towns**

As the State of Arizona is able to reap the positive economic effects of improved traffic flow which in turn improves the efficient movement of goods thru the State, this will positively impact cities and towns as well.

## **D. Fiscal Impact to the State**

Positive fiscal impact to the State:

Whereas large metropolitan areas (e.g. North Texas) that are in direct competition with the Sun Corridor have successfully implemented 'Goods Movement' oriented traffic restrictions to facilitate enhanced traffic flow have experienced positive economic development effects, the City of Apache Junction and the City of Douglas urge implementation within Arizona so that we also experience positive economic effects.

Negative fiscal impact to the State include: Costs associated with developing and implementing a pilot program, which would include conducting a study before and after restrictions are implemented. If the new restrictions were put in place permanently there are costs associated with selecting, designing, implementation administration, advertising, enforcing, and monitoring of the truck lane restrictions.

## **E. Contact Information**

Name: George Hoffman

Title: City Manager

Phone: 480-474-5066

E-mail: [ghoffman@ajcity.net](mailto:ghoffman@ajcity.net)

## **CRITICAL MUNICIPAL ISSUE**

## **Resolution #19**

***Amend the laws and regulations for granting a Certificate of Necessity (CON) and allow cities & towns the authority to provide emergency ambulance transportation services within their jurisdictions.***

**Submitted by:** City of Yuma, City of Sierra Vista, City of Bullhead City, City of Kingman.

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

Many local governments are ready and able to improve the emergency medical services provided to their residents by providing emergency ambulance transportation. Current State statutes and rules developed by the Arizona Department of Health Services Bureau of Emergency Medical Services have made it difficult, if not impossible for municipalities to receive a CON if there is a current CON holder servicing the jurisdiction.

Former Arizona Auditor General, Douglas R. Norton, in his 1999 performance audit, made a number of pertinent findings, including that the CON process “does not meet goals, is an unnecessary form of regulation”, and that the system “limits competition”. When explaining how the system was flawed Mr. Norton explained that the system was a barrier to local government involvement. The 1999 audit asked the State to convene a committee to find ways to include local government and adequately regulate real quality indicators.

The CON statutes should be amended to allow a municipality to provide emergency ambulance transport services within its jurisdiction. Local governments would work with the existing CON holders to coordinate emergency ambulance transportation services across CON boundaries. Integrated transport systems could also be provided, resulting in increased quality assurance and system efficiencies, in both service levels and costs. This type of arrangement has been implemented and is working with urban fire services.

### **B. Relevance to Municipal Policy**

By allowing cities to provide emergency medical transport services, the quality of the service to local residents can be improved. It will allow local government to provide this essential service to their residents and to integrate emergency medical transport services into their public safety infrastructure. Local government can integrate the EMS transportation function into mutual aid agreements and emergency management functions without the artificial barriers inherent in the current CON system.

### **C. Fiscal Impact to Cities and Towns**

Local jurisdictions may incur initial start-up costs. However, some of the costs associated with providing emergency ambulance transportation may be recouped from private insurers, up to the cost of the service. Additionally, allowing local governments to provide these services may result in lower cost to citizens needing emergency transportation services.

### **D. Fiscal Impact to the State**

The State should see a reduction in the need to monitor and adjudicate disputes between ambulance providers, which would result in cost reductions. The Auditor General in his report suggested that the CON process was not cost efficient or needed.

## **E. Contact Information**

Name: Connie Scoggins

Title: Assistant City Attorney

Phone: (928) 373-5055

Email: [Connie.Scoggins@YumaAZ.gov](mailto:Connie.Scoggins@YumaAZ.gov)

**RECOMMEND FOR ADOPTION**

## **Resolution #20**

***Urges Congress to repeal Section 511 of the Tax Increase Prevention and Reconciliation Act of 2005, which mandates Federal, State and Local government entities to withhold and remit to the IRS 3% of nearly all contract payments, effective January 1, 2013.***

**Submitted by:** City of Mesa and City of Phoenix

\* \* \* \* \*

### **A. Purpose and Effect of Resolution**

This resolution urges Congress to repeal the 3% withholding law, which was enacted in Section 511 of the Tax Increase Prevention and Reconciliation Act of 2005. If the law is not repealed, beginning January 1, 2013, all government entities with more than \$100 million in annual expenditures would be required to withhold 3% of payments for most goods and services paid to third parties.

### **B. Relevance to Municipal Policy**

Local governments will encounter considerable challenges in preparing to implement Section 511, resulting in a significant commitment of time and money – and unfortunately, at the expense of the local taxpayer. Each municipality will have to obtain the Federal taxpayer identification number of each vendor, deposit the federal withholdings twice weekly and issue annual Forms 1099-MISC. The hiring and training of new staff will be unavoidable in order to complete the daunting tasks required in Section 511. Most municipalities will also need to purchase or upgrade existing procurement systems to retain and report the required data.

Additionally, state and local governments cannot suffer an increase in the cost of goods and services that will likely result when private sector companies pass along the 3% withheld as a cost of doing business. Private sector companies could experience cash flow problems, which could create difficulties for job-creation – a considerable concern as local governments are actively striving to create economically sustainable communities.

Undoubtedly, Section 511 will be damaging to both the public and private sectors. Neither can absorb the unnecessary and unfunded costs associated with this new withholding requirement.

### **C. Fiscal Impact to Cities and Towns**

While the exact fiscal impact cannot be calculated, compliance with this law will undoubtedly impose significant and unnecessary financial burdens on local government. The expense of hiring new employees, expanding government services, purchasing new financial systems, and paying more for goods and services are certain to cost local taxpayers millions of dollars in expenses.

### **D. Fiscal Impact to the State**

The State will have the same unfunded requirement as cities and towns as a result of this federal withholding requirement.

### **E. Contact Information**

Name: Scott J. Butler

Title: Assistant to the City Manager – Government Relations

Phone: (480) 644-2964

Email: [scott.j.butler@mesaaz.gov](mailto:scott.j.butler@mesaaz.gov)



## RECOMMEND FOR ADOPTION

### Resolution #21

*Urges the President of the United States and the U.S Congress to enact effective and large-scale forest restoration efforts for Arizona and other western forests to improve forest health and reduce the risks from catastrophic wildfires.*

**As amended by the City of Scottsdale; Recommended Amendment from the Resolutions Subcommittee:**  
*Urges the **Legislature to support** ~~President of the United States~~ and the U.S Congress to enact effective and large-scale forest restoration efforts for Arizona and other western forests to improve forest health and reduce the risks from catastrophic wildfires.*

**Submitted by:** City of Scottsdale, Town of Payson, Town of Paradise Valley

\* \* \* \* \*

#### **A. Purpose and Effect of Resolution**

In the Western United States there are millions of acres of diseased, dying, and overgrown forests that have created a widespread forest health problem. The poor condition of these forests has dramatically increased the effects of insect infestation, understory overgrowth, and unnatural fire conditions. The forest health problem is widespread and is affecting wildlife habitat, watershed management, and increasing the dangers to human life and property.

While there have been some small-scale forest restoration efforts, prescribed by existing state and federal policies, overall forest health is rapidly declining. New policies **SUCH AS THE 4 FORESTS RESTORATION INITIATIVE AND THE WALLOW FIRE RECOVERY AND MONITORING ACT** are needed to ~~initiate~~ **COMMENCE** cost-effective and large-scale restorations to address the growing forest health problem. Because state and federal financial resources are currently limited, the use of commercial operations should be considered as a means of providing cost-effective forest restoration efforts.

U.S. Forest Service data indicates that growth of Western forests exceeds removals by three-fold. Without large-scale forest health treatments, events associated with high-risk forests will continue to cause severe social, economic and ecological impacts. Any new state or federal policies must consider all effective forest treatment tools and should include both public and private sector resources to accomplish forest health and management goals.

#### **B. Relevance to Municipal Policy**

Properly maintained forests provide numerous benefits to the residents and visitors to Arizona cities and towns. Benefits include increasing water yields and creating sustainable watersheds, recreation and tourism, timber, maintaining real estate values, wildlife habitat, and adding value to the State's economy.

#### **C. Fiscal Impact to Cities and Towns**

The initiation of large scale forest restoration activities may provide additional jobs and secondary economic benefits to the local economy such as the purchase of equipment, food sales, etc. The negative economic impact to local governments from unhealthy forest conditions can include the costs of residents being displaced from their homes, job losses, the loss of tourism, diminished real estate values, and loss or damage to public infrastructure.

#### **D. Fiscal Impact to the State**

State or federal monies would likely be necessary to implement large-scale forest restoration projects. With the increased use of commercial forest operations, these types of projects could conceivably become more revenue neutral.

#### **E. Contact Information**

<u>Name: Brad Lundahl</u>	<u>Title: Government Relations Director</u>
<u>Phone: (480) 312-2683</u>	<u>Email: Blundahl@ScottsdaleAZ.gov</u>

**RECOMMEND WITH AMENDMENTS**

## Resolution #22

### *Resolution opposing federal preemption of state and local taxing authority over online travel companies.*

**Submitted by:** City of Tusayan, City of Flagstaff, City of Sedona

\* \* \* \* \*

#### **A. Purpose and Effect of Resolution**

To prevent the preemption of state and local taxing authority.

#### **B. Relevance to Municipal Policy**

Hotel taxes are a vital revenue source for counties across the nation. Some jurisdictions funnel these revenues into the general fund and are used for a myriad of public purposes, including fire and police services. Some communities use these funds to promote local tourism, which creates jobs and pumps badly needed funds into local economies. Some localities use these funds to pay bond obligations used to finance the construction of convention centers, sports facilities, and other public buildings.

This revenue source is being threatened by efforts of the online travel companies (OTCs) to obtain preferential tax treatment at the expense of local government budgets. The OTCs, such as Expedia, Travelocity, and Orbitz pay hotels a discounted, wholesale rate for the rooms they book. These rooms are then sold to customers at a higher, retail rate. But while customers are charged the applicable hotel tax on the retail rate, the OTCs remit taxes based on the wholesale rate, short-changing local governments while pocketing the difference. This practice is currently the subject of numerous lawsuits across the country. In response, the OTCs are actively lobbying Congress to preempt the authority of state and local governments to impose and collect hotel taxes from the OTCs.

Municipalities oppose any federal legislative or regulatory initiatives that would preempt state and local taxing authority over Online Travel Companies (OTCs).

#### **C. Fiscal Impact to Cities and Towns**

Preemption of state and local taxing authority over the OTCs will adversely affect state and local government budgets, with revenue losses nearing \$700 million annually.

#### **D. Fiscal Impact to the State**

Preemption of state and local taxing authority over the OTCs will adversely affect state and local government budgets, with revenue losses nearing \$700 million annually.

#### **E. Contact Information**

Name: Enrique Medina Ochoa

Title: Town Manager

Phone: 928-637-4297

Email: [tusayantownmanager@gmail.com](mailto:tusayantownmanager@gmail.com)

**RECOMMEND FOR ADOPTION**

## Staff Resolution # 1

### **A RESOLUTION OF THE LEAGUE OF ARIZONA CITIES AND TOWNS CALLING UPON THE ARIZONA LEGISLATURE TO RESPECT THE AUTHORITY OF CITIES AND TOWNS TO GOVERN THEIR COMMUNITIES FREE FROM LEGISLATIVE INTERFERENCE AND TO REJECT LEGISLATION THAT CONFLICTS WITH CHARTER PROVISIONS OF ARIZONA'S CHARTER CITIES**

**WHEREAS**, the League of Arizona Cities and Towns shares Governor Brewer's concern, "that many bills introduced [during the first session of Arizona's 50<sup>th</sup> Legislature] micromanage decisions best made at the local level"; and

**WHEREAS**, the League further shares Governor Brewer's, "conservative belief that the most effective, responsible and responsive government is government closest to the people"; and

**WHEREAS**, the Arizona Constitution specifically provides that any city, "may frame a charter *for its own government*" [emphasis added]; and

**WHEREAS**, once a city has successfully completed the city charter process, the charter becomes the organic law of the city ~~or town~~; and

**WHEREAS**, charter cities draw their power from their citizens, are governed by their charters, and do not require legislative authority from the State to exercise power; and

**WHEREAS**, the provisions of the charter, as the organic law of the city, supersede all laws of the State in conflict with the charter provisions, insofar as such laws relate to purely municipal affairs; and

**WHEREAS**, the Arizona Constitution thus establishes a home rule mechanism to render **CHARTER** cities independent of the Legislature with respect to matters of local concern; and

**WHEREAS**, Arizona courts have affirmed that provisions of a city's charter supersede conflicting statutes with respect to matters of local concern; and

**WHEREAS**, ~~localities~~ **ALL MUNICIPALITIES** are no less affected by the imposition of burdensome mandates by the State than is the State by the imposition of similar mandates by the Federal government;

**NOW, THEREFORE, BE IT RESOLVED**, that the League of Arizona Cities and Towns calls upon the Arizona Legislature to affirmatively reject, oppose and renounce legislative proposals that diminish local authority, address matters of purely local concern, and conflict with the organic law of Arizona's charter cities.

**RECOMMEND WITH AMENDMENTS**

## **Staff Resolution # 2**

### **Support Reasonable Reform to the State Revenue System**

Arizona's Transaction Privilege Tax (TPT, commonly referred to as Sales Tax), applies to goods but not to services. The system was developed in the early 20th Century when the economy was significantly different—dominated by farming, mining and trading of commodities and hard manufactured goods. Today's 21st Century economy is significantly different and is increasingly dominated by the service sector. However, services are not subject to state or local sales taxes. With the temporary one-cent increase approved by voters in Proposition 100, Arizona's state sales tax rate is now 6.6%. Added to local and county sales taxes, the rate in many places is now over 10%, making it one of the highest in the nation. The addition of services to the base could potentially lead to an actual lowering of the rate while producing the same amount of revenue, i.e. a "revenue-neutral" reform. Tax analysts frequently advocate the benefits of the "broad base, low rate" concept in taxation in which all sectors are taxed at a low, affordable rate, and other sectors do not have a "free ride." The State of Arizona and its political subdivisions would benefit from a system in which no business category was exempt from taxation, but which produced a rate low enough to be affordable for citizens and not a hindrance to business success.

Arizona also has one of the lowest personal income tax rates in the nation—currently 41st out of the 43 states that have such a system. Conversely, our corporate income tax is one of the higher in the nation, and corporate personal property tax is seen as a barrier to attracting some kinds of manufacturing industries to the state.

As various proposals emerge and are debated, the League needs to be able to advocate for tax reform that adheres to the principles of simplicity, fairness, progressivity and balance. Any reforms should also not in any way impair the ability of cities and towns to implement tax systems that reflect their own local priorities.

### **RECOMMEND FOR ADOPTION**